



Special Report

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The *Recovery Act*: Creating Jobs and Making a Difference in Idaho

Earlier this year, the Democratic Congress worked with President Obama to enact the *American Recovery and Reinvestment Act* (the *Recovery Act*) in an effort to rescue, rebuild, and strengthen our struggling national economy. Eight years of failed fiscal policies and misguided economic priorities had left our national economy on the brink of disaster, and now – only nine months later – our economy is on the brink of recovery. The *Recovery Act* and the efforts of American businesses and workers, like those in Idaho, made this progress possible.

Despite this encouraging news, Democrats know that many Idahoans are still struggling, and unemployment – a lagging economic indicator – remains far too high. In response, Democrats are working to create and save millions of jobs with *Recovery Act* dollars and tax relief. Already, with more than half of the dollars yet to be spent, the recovery package has provided for more than one million jobs and the rate of job loss has slowed significantly. As we look toward the future, Democrats believe that the *Recovery Act*, combined with the American work ethic and ingenuity, will continue to make a difference for families in Idaho and will deliver on its promise to rebuild our economy and get Idahoans back to work.

The Recovery Act is Creating Jobs and Making a Difference

Last week, the White House announced that certain recipients of *Recovery Act* funds have reported the creation of 640,329 direct jobs. About 325,000 of these jobs are in education and over 80,000 are in construction. These numbers, however, represent only about 16 percent of expenditures through September 30 and do not reflect the majority of *Recovery Act* funding to date, which has gone directly to individuals and states, including:

- Tax relief for businesses and working families;
- Small business loans, which are exempt from reporting;
- The first-time homebuyer tax credit;
- Direct federal aid, including \$250 direct stimulus checks, enhanced unemployment benefits, increased food stamp benefits for vulnerable families; and
- State fiscal relief, which prevented job cuts at the state and local government level.

Moreover, the reported data does not capture indirect or induced jobs created when prime contractors hire suppliers or other companies to complete projects or when newly employed

workers spend their pay checks. It is estimated that, if included, indirect jobs would add another 50 percent or more to the direct jobs numbers and induced jobs would add an additional 36 percent. [Office of the Vice President, [10/30/09](#); CBPP, [10/28/09](#)]

Taken as a whole, the reported data confirms earlier estimates that the *Recovery Act* would create or save over one million jobs by now, even though less than half of the *Recovery Act* funds have been put to work. [Office of the Vice President, [10/30/09](#)]

Moreover, without the *Recovery Act*, economists believe that the economy and the unemployment rate would be much worse.

- According to Congressional Budget Office (CBO) projections, “The effect of the stimulus legislation on the level of economic activity will probably build during the second half of 2009 [and] have its maximum impact in the first half of 2010... CBO estimates that real GDP will be 1.4 percent to 3.8 percent higher in the fourth quarter of 2009 than it would have been without the stimulus, 1.1 percent to 3.4 percent higher in the fourth quarter of 2010, 0.4 percent to 1.2 percent higher in the fourth quarter of 2011, and zero to 0.3 percent higher by the fourth quarter of 2013.” [CBO, [8/09](#)]
- These estimates were bolstered by third quarter growth when, for the first time in more than a year, the economy expanded, and, at 3.5 percent, it expanded faster than expected. [*Wall Street Journal*, [10/29/09](#)]
- According to economist Mark Zandi, “The research of Moody’s Economy.com suggests that a million fewer jobs would exist today, while the unemployment rate would already have risen well into double digits.” [Testimony before the Joint Economic Committee, [10/29/09](#)]

The Recovery Act is Creating Jobs and Making a Difference in Idaho

In Idaho, this partial reporting indicates that 2,103 jobs have been created or saved by funding 387 awards worth \$1,222,995,124, of which \$246,099,727 has already been received. [Recovery, Accountability, and Transparency Board, accessed [11/2/09](#)]

Similar to the national number, this validates the White House’s earlier estimates that the *Recovery Act* is responsible for saving or creating 4,600 jobs so far for Idahoans (accounting for indirect and induced jobs). [Council of Economic Advisors, [9/2009](#)] **Idaho is on track to benefit from a total of 17,000 *Recovery Act* jobs.** [The White House, [2/2009](#)]

These numbers alone cannot adequately convey the human impact of the jobs that are supported by the *Recovery Act* – the real-life stories of local companies that can hire new employees, workers who are no longer faced with uncertainty, and families that no longer need to struggle to pay their bills. The following is a sampling of some of the local *Recovery Act* success stories in Idaho:

***Recovery Act* funding will cover costs for a half-time social worker, a half-time homeless education consultant and supplies for Idaho schools’ homeless education programs.** “The number of school kids in Idaho who are homeless has been steadily growing over the past five years, with some local districts seeing spikes of 30 to 230 percent during the last two years, according to state and local school officials and data... The vast majority of the 2,701 homeless students identified in Idaho in 2008-09 weren’t living on the

street - most were living with another family or friends, or in other transitional housing, said Karen Seay, state coordinator for Title I and homeless education... The role of homeless education liaisons at the school level is to provide students with services including tutoring, counseling, help in getting documents (birth certificates, transcripts, etc.), school uniforms or PE clothes, personal hygiene items, and help with SAT and ACT fees. They even provide school spirit shirts, so the kids don't feel left out... Boise schools received a \$102,000 grant from stimulus money to cover costs for a half-time social worker, a half-time homeless education consultant and supplies. It was one of 10 federal grants totaling \$329,710 awarded to Idaho schools for homeless education programs this year. About 64 percent of that was federal stimulus money." [[Idaho Statesman](#), 10/27/09]

Idaho Power is set to use *Recovery Act* funding to modernize its electric transmission and distribution infrastructure, including the deployment of a smart meter network for all 475,000 customers the company serves. "Idaho Power, Avista Utilities and M2M Communications will receive \$69 million through the federal economic stimulus program for projects to upgrade the energy grid, creating dozens of new jobs in the state and transforming how hundreds of thousands receive their power... Idaho Power is set to receive \$47 million to modernize its electric transmission and distribution infrastructure, including the deployment of a smart meter network for all 475,000 customers the company serves, the DOE said. The money will also finance a new outage management system and irrigation load control program to reduce peak and overall energy use and improve system reliability... The money will also help the company continue to build more of a "self-healing network" that senses and monitors disruptions, sections off downed lines to minimize interruptions and changes power flows to adapt to customer use, Hyman said." [[Idaho Business Review](#), 10/28/09]

Idaho state agencies have used *Recovery Act* funds to create nearly 500 jobs. "Idaho state agencies have created nearly 500 jobs with the small amount of federal economic stimulus money they've spent so far, state officials say. Idaho Gov. C.L. 'Butch' Otter's budget chief, Wayne Hammon, told the state Legislature's Joint Finance-Appropriations Committee Oct. 14 that the state has only been able to track jobs created directly from state spending, and only \$12.8 million of the \$260.8 million awarded to state agencies for the current fiscal year has been spent. That has created 492.5 positions, which is a rate of about \$26,000 per job." [[Idaho Business Review](#), 10/15/09]

Idaho receives \$10 million *Recovery Act* allocation for energy efficiency and conservation projects that will create more than 100 green jobs. "Energy Secretary Steven Chu announced today that Idaho is receiving \$9,593,500 in funding from the American Recovery and Reinvestment Act to support energy efficiency and conservation activities across the state... Idaho will use its Recovery Act EECBG funding to improve energy efficiency of local communities throughout the state. The majority of the state's Energy Efficiency and Conservation Block Grant (EECBG) program funding will provide subgrants to city and county governments to undertake a wide variety of energy efficiency and renewable energy projects, including energy audits, buildings and transportation efficiency programs, and installations of renewable energy technologies on government buildings... Idaho's Recovery Act-funded projects will lead to substantial energy and cost savings, and save or create more than 100 green jobs statewide." [[Idaho Mountain Express](#), 10/1/09]

***Recovery Act*-funded program put 840 young Idahoans to work this summer.** "A summer jobs program that had youths doing everything from clerical work to public art for government agencies and nonprofits could be expanded to private business next year. Roger B. Madsen, director of the Idaho Department of Labor, said Gov. Butch Otter is looking for ways to

put young people into businesses where they can learn additional job skills. This year, the program was paid for with \$118,000 from federal stimulus funds. The workers learned 'soft' skills, such as teamwork, Madsen said, plus basic skills that will stand them in good stead in the future...It's been especially valuable in a summer when the economy isn't providing a lot of jobs for young people, Madsen said... Fifty-four youths were put to work at 30 sites in Nez Perce County, said Sage Stoddard of the state Labor Department at Lewiston. 'We spent it all' on pay for young people, she said, and all of it went to young people, not to support staff within the department. 'It's been a success.'" [[The Idaho Statesman](#), 9/11/09]

Recovery Act-funded cleanup of Idaho National Laboratory waste has created 515 jobs directly, 433 indirectly. "Stimulus money is speeding the cleanup of wastes generated by nuclear research at the E. Idaho lab. ...\$787 billion American Recovery and Reinvestment Act is going to another project: the nuclear cleanup at the Idaho National Laboratory. The \$468 million INL stimulus is part of \$6 billion in stimulus money going to 12 states as part of the Department of Energy's nuclear cleanup program... Danielle Miller, a spokeswoman for the Department of Energy, said INL's cleanup project has resulted in 515 direct jobs. Some of those are new, while others are jobs that would have disappeared had the cleanup contract not been accelerated. Another 433 jobs are estimated to have been created indirectly, Miller said. Beyond the cleanup, Idaho officials hope the lab will flourish as a center of research and development. 'We're seeing a lot of activity out there, making that a hot spot - and a green spot - for renewable forms of energy," said Jon Hanian, a spokesman for Idaho Gov. Butch Otter. 'Clearly energy is a key component of sparking a recovery, figuring out ways of developing what we have here at home. Those jobs are integral to turning things around.'" [[The Idaho Statesman](#), 09/10/09]

Forest Service sought to hire engineers to work on Recovery Act-funded projects. The Forest Service Northern Region is offering career intern opportunities for civil engineers and civil engineering technicians. The positions are designed to provide a combination of professional development, agency familiarity, and productive assignments. The interns selected will help implement identified projects as part of the American Recovery and Reinvestment Act (ARRA)... The Northern Region encompasses 25 million acres and is spread over five states and twelve national forests located within northeastern Washington, northern Idaho, and Montana; and the national grasslands in North Dakota and northwestern South Dakota. The Career Intern position is a two year program after which the Forest Service has the option of converting the positions to permanent career positions." [[Clark Fork Chronicle](#), 8/24/09]

Recovery Act monies will underwrite 16 national forest projects in Idaho, aiding environment and creating jobs. "Idaho will receive \$17 million in federal stimulus money for 16 projects in national forests in the state. The U.S. Department of Agriculture on Tuesday announced details of the latest round of funding - \$247 million from the American Recovery and Reinvestment Act that will be used to pay for projects on national forests. The money will be used to improve trail systems and Forest Service facilities. The Clearwater, Nez Perce, Umatilla and Wallowa-Whitman national forests are on the list with approved projects. 'This is going to do good work for the forests and it's going to put people to work, so we are thrilled,' Elayne Murphy, a spokeswoman for the Clearwater National Forest at Orofino in northern Idaho, told the Lewiston Tribune." [[Associated Press](#), 7/22/09]

Nordic Windpower received a \$16 million Recovery Act loan guarantee; the funds will enable the company to hire up to 100 workers. "Nordic Windpower, a Berkeley, Calif.-based wind turbine manufacturer with an assembly plant in Pocatello, is in line to get a major boost from the federal government, after the company announced last week that it has received a conditional commitment for a \$16 million loan guarantee from the U.S. Department

of Energy... Jeff Brown, Nordic's Pocatello-based chief operations officer, said the offer represents a 'major, major hurdle' crossed by the company, and if the monies are delivered it will mean the purchase tooling equipment and assembly components for the Pocatello plant, and the hiring of between 80 and 100 new workers." [[Idaho Business Review](#), 7/7/09]

Nampa County official dubbed creation of 700 jobs with *Recovery Act* funds a "great win." "Federal economic stimulus money has created 700 summer jobs for Idaho youth this year. Thirteen of the jobs are in Nampa, 14 in Caldwell and 42 overall in Canyon County. The five- to eight-week government and nonprofit agency positions pay \$7.25 an hour and are targeted to young people from low-income households. They are also helping the city of Nampa complete planned projects, city officials said, and are helping youth gain experience in their chosen fields. [[Idaho Press-Tribune](#), 7/5/09]

Idaho will use *Recovery Act* funds to pay over 700 youths to work at summer jobs. "Hundreds of Idaho young people are beginning five- to eight-week jobs this month in the first major summer youth employment program the Idaho Department of Labor has sponsored in a decade. By the end of June over 700 young people ages 14 to 24 will be involved at over 130 locations in a range of activities from outdoor conservation projects and community-based jobs to indoor office work. About 200 are part of 39 crews dispatched around the state as part of the successful Idaho Youth Conservation Corps. 'We are connecting eligible young people with worksites that match their interests and abilities and offering hands-on work experience,' said Idaho Department of Labor Director Roger B. Madsen. The program is made possible through the federal stimulus money from the American Recovery and Reinvestment Act of 2009 and is augmenting limited funding the department normally receives under the Workforce Investment Act. [US State News, 6/30/09]

A *Recovery Act*-funded highway project on Moscow Mountain is expected to save or create 50 jobs. Gov. C.L. 'Butch' Otter says the project, due to be completed within 70 days, is helping create work for Idaho families at a time when unemployment is rising. [[Associated Press](#), 6/9/09]

***Recovery Act* grant will enable epilepsy foundation of Idaho to keep running, help clients find jobs, avoid cutting services to the 15,000 Idahoans with epilepsy.** [[Idaho Falls Post Register](#), 5/20/09]